

CITY OF HAYSVILLE, KANSAS

FINANCIAL STATEMENTS

WITH

INDEPENDENT AUDITOR'S REPORT

YEAR ENDED DECEMBER 31, 2012

George, Bowerman & Noel, P.A.
Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT

The Honorable Mayor and
City Council
City of Haysville
Haysville, Kansas

We have audited the accompanying fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances of the City of Haysville, Kansas, as of and for the year ended December 31, 2012, and the related notes to the financial statement.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of this financial statement in accordance with the *Kansas Municipal Audit and Accounting Guide* as described in Note 1 to meet the financial reporting requirements of the State of Kansas. Management is also responsible for the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statement that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on the financial statement based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the *Kansas Municipal Audit and Accounting Guide*. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statement is free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statement.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles

As described in Note 1 of the financial statement, the financial statement is prepared by the City of Haysville, Kansas to meet the requirements of the State of Kansas on the basis of the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide*, which is a basis of accounting other than accounting principles generally accepted in the United States of America.

The effects on the financial statement of the variances between the regulatory basis of accounting as described in Note 1 and accounting principles generally accepted in the United States of America, although not reasonably determinable, are presumed to be material.

Adverse Opinion on U.S. Generally Accepted Accounting Principles

In our opinion, because of the significance of the matter discussed in the “Basis for Adverse Opinion on U.S. Generally Accepted Accounting Principles” paragraph, the financial statement referred to above does not present fairly, in conformity with accounting principles generally accepted in the United States of America, the financial position of the City of Haysville, Kansas as of December 31, 2012, or changes in financial position and cash flows thereof for the year then ended.

Opinion on Regulatory Basis of Accounting

In our opinion, the financial statement referred to above presents fairly, in all material respects, the aggregate cash and unencumbered cash balances of the City of Haysville, Kansas as of December 31, 2012, and the aggregate receipts and expenditures for the year then ended in accordance with the financial reporting provisions of the *Kansas Municipal Audit and Accounting Guide* described in Note 1.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the fund summary statement of regulatory basis receipts, expenditures, and unencumbered cash balances (basic financial statement) as a whole. The summary of regulatory basis expenditures – budget and actual, individual fund schedules of regulatory basis receipts and expenditures – actual and budget (Schedules 1 and 2) as listed in the table of contents) are not a required part of the basic financial statement, however are required to be presented under the provisions of the *Kansas Municipal Audit and Accounting Guide*. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basis financial statement. The information has subjected to the auditing procedures applied in the audit of the basic financial statement and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statement or to the basic financial statement itself, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the basic financial statement as a whole, on the basis of accounting described in Note 1.

The 2011 actual columns presented in the individual fund schedules of receipts and expenditures – actual and budget, (Schedule 2 as listed in the table of contents) are also presented for comparative analysis and are not a required part of the 2011 financial statements upon which we rendered an unqualified opinion dated May 4, 2012. The 2011 financial statements and our accompany report are not presented herein, but are available in electronic form from the web site of the Kansas Department of Administration, <http://da.ks.gov/ar/muniserv/>. Such 2011 comparative information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the 2011 financial statements. The 2011 comparative information was subjected to the auditing procedures,

including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the 2011 financial statements or to the 2011 financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the 2011 comparative information is fairly stated in all material respects in relation to the 2011 financial statements as a whole.

Wichita, Kansas
May 4, 2013

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CITY OF HAYSVILLE, KANSAS

SUMMARY OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH – REGULATORY BASIS
(continued on next page)

For the year ended December 31, 2012

	Beginning Unencumbered Cash Balance	Prior Year Canceled Encum- brances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
General Fund	\$ 158,830	\$ 5,189	\$ 4,668,201	\$ 4,688,561	\$ 143,659	\$ 92,612	\$ 236,271
Special Purpose Funds:							
Special Street	28,208	313	413,731	370,800	71,452	8,372	79,824
Law Enforcement	175,773	-	125,235	112,285	188,723	41	188,764
Library	-	-	321,215	321,215	-	-	-
Special Liability	4,155	-	35,666	38,879	942	-	942
Special Alcohol	48,068	-	6,016	7,109	46,975	-	46,975
Special Parks and Recreation	12,158	-	4,412	2,469	14,101	-	14,101
Recreation Department	115,403	708	547,325	563,365	100,071	13,403	113,474
Transient Guest Tax	10,389	-	42,004	23,830	28,563	19,239	47,802
Haysville Historical	4,549	-	3,341	5,008	2,882	-	2,882
Program For The Aged	-	-	35,000	35,000	-	-	-
Federal Law Enforcement Trust	104,325	-	395,036	85,931	413,430	-	413,430
City Law Enforcement Trust	18,157	-	147	-	18,304	-	18,304
Haysville Disaster	2,071	-	6	-	2,077	-	2,077
Community Resource Act Grant	3,932	-	2,054	2,465	3,521	-	3,521
Special Highway Improvement							
Reserve	72,551	-	196	66,000	6,747	-	6,747
Office Equipment Reserve	32,537	-	134	2,349	30,322	-	30,322
Park Improvement Reserve	33,378	-	42,409	45,722	30,065	200	30,265
Equipment Reserve	385,068	-	49,649	62,004	372,713	5,045	377,758
Debt Service Fund:							
Debt Service	145,028	-	2,042,710	2,127,719	60,019	-	60,019
Capital Project Funds:							
Multi-Year Capital Improve- ments Plan	327,962	48,941	768,753	1,032,972	112,684	2,500	115,184
Haysville Activity Center							
Acquisition Project	2,006	-	6	-	2,012	-	2,012
Bond Series 2012	-	-	402,983	402,983	-	-	-
Temporary Notes 2012	-	-	406,187	359,526	46,661	-	46,661

CITY OF HAYSVILLE, KANSAS

SUMMARY OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH – REGULATORY BASIS
(continued from previous page)

For the year ended December 31, 2012

	Beginning Unencumbered Cash Balance	Prior Year Canceled Encum- brances	Receipts	Expenditures	Ending Unencumbered Cash Balance	Add Outstanding Encumbrances and Accounts Payable	Ending Cash Balance
Business Funds:							
Water-Sewer Utility	\$ 318,640	\$ 7,574	\$ 2,769,925	\$ 2,781,460	\$ 314,679	\$ 359,962	\$ 674,641
Municipal Pool	4,160	-	101,133	102,102	3,191	513	3,704
Stormwater	16,612	4	144,646	129,994	31,268	20,768	52,036
Water/Wastewater Revenue							
Bond Reserve	99,329	-	396,927	397,315	98,941	-	98,941
Water/Wastewater Revenue							
Bond Emergency and							
Depreciation Reserve	400,000	-	-	-	400,000	-	400,000
Water/Wastewater Revenue							
Bond Surplus Reserve	-	-	264,391	-	264,391	-	264,391
Water/Wastewater General							
Obligation Bond Debt	11,284	-	67,108	67,706	10,686	-	10,686
Service Reserve	99,477	-	528,538	467,848	160,167	7,196	167,363
Risk management							
Total Primary Government	2,634,050	62,729	14,585,084	14,302,617	2,979,246	529,851	3,509,097
Related Municipal Entities:							
Haysville Community Library	13,284	-	369,853	361,652	21,485	294	21,779
Total Reporting Entity	\$ 2,647,334	\$ 62,729	\$ 14,954,937	\$ 14,664,269	\$ 3,000,731	\$ 530,145	\$ 3,530,876

CITY OF HAYSVILLE, KANSAS

SUMMARY OF RECEIPTS, EXPENDITURES AND UNENCUMBERED CASH – REGULATORY BASIS
(continued from previous page)

For the year ended December 31, 2012

Composition of Cash:	
Primary Government:	
Intrust Bank, N.A., Haysville, Kansas:	
General checking NOW account	\$ 48,048
Petty cash checking	2,865
Checking account – Municipal Court	7,026
Savings account – Business Treasury	<u>2,869,304</u>
Total Intrust Bank, N.A. – primary government	<u>2,927,243</u>
Community Bank, Haysville, Kansas:	
Savings account	13,916
Premium savings account	167,363
Certificate of Deposit	<u>400,000</u>
Total Community Bank – primary government	<u>581,279</u>
Cash on hand	<u>575</u>
Total Primary Government	<u>3,509,097</u>
Related Municipal Entity:	
Haysville Community Library:	
Community Bank, Haysville, Kansas:	
General checking	77
Money market savings account	21,420
Checking account – petty cash	<u>282</u>
Total Community Bank – related municipal entity	<u>21,779</u>
Total Reporting Entity	<u>\$ 3,530,876</u>

The accompanying notes are an integral part of the financial statements.

CITY OF HAYSVILLE, KANSAS
NOTES TO FINANCIAL STATEMENT

December 31, 2012

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICES

Reporting entity

The City of Haysville, Kansas is incorporated under the laws of the State of Kansas. The City operates under a Mayor-Council form of City government consisting of an elected Mayor and eight council persons and provides services to the citizens in the areas of highways and streets, water and wastewater treatment services, public improvement, public safety, planning and zoning, recreation, and general administrative services.

These financial statements present the City of Haysville, Kansas (the primary government) and its component unit. A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments and offices that are not legally separate. Such legally separate entities are referred to as component units. The component units discussed in the following paragraphs are included in the City's reporting entity because the primary government is considered financially accountable or the economic resources received and held by the separate organization is entirely for the direct benefit of the primary government.

A seven-member board appointed by the Mayor with approval by the City Council governs the Haysville Public Library Board. The Haysville Public Library Board operates the Haysville Community Library in the City. The Library Board may not purchase or lease a site or erect a building for use of the library without the approval of the City Council. The Library Board taxes are levied under the taxing authority of the City and are included as part of the City's total tax levy. These taxes are accounted for in the Library special revenue fund of the City. The Library Board also receives funding through state assistance programs and donations from the public. Separate audited financial statements for the Library Board may be obtained from the Haysville Community Library, 210 South Hays, Haysville, Kansas.

Description of funds

The accounts of the City are organized and operated on the basis of funds, each of which is defined as an accounting entity with a self-balancing set of accounts established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

In accordance with state statutes and City ordinances, several different types of funds are used to record the City's financial transactions. For financial reporting, they have been grouped and are presented in this report as follows:

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

General fund – The general fund is the chief operating fund of the City. It is used to account for and report all financial resources not accounted for in another fund.

Special purpose funds – Special purpose funds are used to account for and report the proceeds of specific tax levies and other specific revenue sources (other than Capital Project and tax levies for long-term debt) that are intended for specified purposes.

Debt service fund – The debt service fund is used to account for the accumulation of resources, including tax levies, transfers from other funds and payment of general long-term debt.

Capital project funds - The capital project funds are used to account for and report financial resources to be used for acquisition or construction of major capital facilities or equipment.

Business funds – Business funds are used to account for operations where the fund is financed in whole or in part by fees charged to users of the goods or services (enterprise and internal service funds).

Kansas Municipal Audit and Accounting Guide (KMAAG) Basis of accounting

The KMAAG regulatory basis of accounting involves the recognition of cash, cash equivalents, marketable investments, and certain accounts payable and encumbrance obligations to arrive at a net unencumbered cash and investments balance on a regulatory basis for each fund, and the reporting of changes in unencumbered cash and investments of a fund resulting from the difference in regulatory basis revenues and regulatory basis expenditures for the fiscal year. All recognized assets and liabilities are measure and reported at cost, unless they have been permanently impaired and have no future cash value or represent no future obligation against cash. The KMAAG regulatory basis does not recognize capital assets, long-term debt, accrued receivables and payables, or any other assets, liabilities or deferred inflows or outflows, other than those mentioned above.

The City has approved a resolution that is in compliance with K.S.A. 75-1120a(c), waiving the requirement for application of generally accepted accounting principles and allowing the City to use the regulatory basis of accounting.

Budgetary principles

The City is required by state statute to legally adopt annual operating budgets for the general fund, special revenue funds (unless exempted by specific statute), debt service fund and enterprise funds. A legal operating budget is not required for the Haysville Historical, Program For The Aged, Special Highway Improvement Reserve, Office Equipment Reserve, Park Improvement Reserve, Federal Law Enforcement Trust, City Law Enforcement Trust, Haysville Disaster, Equipment Reserve, Community Resource Act Grant, Multi-Year Capital Improvements Plan, Haysville Activity Center Acquisition, Bond Series 2012, Temporary Notes 2012, Waster/Wastewater Revenue Bond Reserve, Water/Wastewater Revenue Bond Emergency and Depreciation Reserve,

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Water/Wastewater Revenue Bond Surplus Reserve, Water/Wastewater General Obligation Bond Debt Service Reserve and Risk Management funds. The statutes provide for the following sequence and timetable in the adoption of the legal annual operating budget:

1. Preparation of the budget for the succeeding calendar year on or before August 1st.
2. Publication in local newspaper of the proposed budget and notice of public hearing on the budget on or before August 5th.
3. Public hearing on or before August 15th, but at least ten days after publication of notice of hearing.
4. Adoption of the final budget on or before August 25th.

The statutes allow for the governing body to increase the originally adopted budget for previously unbudgeted increases in revenue other than ad valorem property taxes. This process requires a notice of public hearing to amend the budget to be published in the local newspaper. At least ten days after publication the hearing may be held and the governing body may amend the budget at that time. During 2012 there were no amendments to the originally adopted budget by the governing body.

Kansas statutes permit transferring budgeted amounts between line items within an individual fund. However, such statutes prohibit expenditures in excess of the total amount of the adopted budget of expenditures of individual funds.

All legal annual operating budgets are prepared using the regulatory basis of accounting, in which, revenues are recognized when cash is received and expenditures include disbursements, accounts payable and encumbrances, with disbursements being adjusted for prior year's accounts payable and encumbrances. Encumbrances are commitments by the City for future payments and are supported by a document evidencing the commitment, such as a purchase order or contract. Any unused budgeted expenditure authority lapses at year-end. Spending in funds which are not subject to the legal annual operating budget requirement is controlled by federal regulations, other statutes, or by the use of internal spending limits established by the governing body.

Deposits and investments

Deposits and investments include amounts in demand deposit, money market savings and certificate of deposit accounts. Deposits are reported at carrying amounts, which approximate fair value. Cash balances in all funds are considered in determining the amount to be invested and, unless specifically designated, investment income is generally apportioned to the various funds in the ratio of invested balances.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Compensated absences

The City's policies regarding vacation permits regular full-time employees with one year of service to earn 1 week vacation pay, two to five years of service to earn 2 weeks vacation pay, six to eleven years of service to earn 3 weeks vacation pay, twelve to nineteen years of service to earn 4 weeks vacation pay and twenty or more years of service to earn 5 weeks vacation pay. At termination, an employee shall be compensated for all accumulated vacation pay. All regular full-time employees accrue one day of sick leave for every month of service with 800 hours as the maximum amount of sick leave that can be accumulated. Any employee accumulating more than 800 hours may, by November 15, request to receive 50% sick leave pay for hours in excess of 800 or take 50% vacation for the hours in excess of 800. If the 50% vacation is elected, the time must be taken within the next calendar year. Upon termination an employee may receive pay for up to one-half of unused sick leave hours not to exceed 240 hours. The liabilities for accrued compensated absences are based on current salary costs and the vested portion of accumulated benefits.

Pension plan

All full-time employees are members of the State of Kansas Public Employees' Retirement System (KPERS), which is a cost sharing multi-employer statewide pension plan. The City's policy is to fund all pension costs as accrued; such costs to be funded are determined annually by the system's actuary.

Concentration of credit risk

The City routinely grants credit to utility customers, in accordance with applicable utility rate ordinances, all of which are located within the environs of the City. The City does not require security deposits for the credit granted to utility customers. Set-up fees are, however, assessed by the City when the utility service is provided.

Risk management

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City carries commercial insurance for all risks of loss. Settled claims resulting from these risks have not exceeded commercial insurance coverage in any of the past three years.

2. DEPOSITS AND INVESTMENTS

K.S.A. 9-1401 establishes the depositories which may be used by governmental entities in Kansas. The statute requires banks eligible to hold the City's funds have a main or branch bank in the county in which the City is located, or in an adjoining county if such institution has been designated as an official depository, and the banks provide an acceptable rate of return on funds. In addition, K.S.A. 9-1402 requires the banks to pledge securities for deposits in excess of Federal Depository Insurance Corporation coverage. The City has no other policies that would further limit interest rate risk.

2. DEPOSITS AND INVESTMENTS (continued)

K.S.A. 12-1675 limits the City's investment of idle funds to time deposits, open accounts, and certificates of deposit with allowable financial institutions; U.S. government securities; temporary notes; no-fund warrants; repurchase agreements; and the Kansas Municipal Investment Pool. The City has no investment policy that would further limit its investment choices.

Concentration of credit risk

State statutes place no limit on the amount the City may invest in any one issuer as long as the investments are adequately secured under K.S.A. 9-1402 and 9-1405.

Custodial credit risk – deposits

Custodial credit risk for deposits is the risk that in the event of bank failure, the City's deposits may not be returned or the City will not be able to recover collateral securities in the possession of an outside party. The City's policy follows applicable state statutes and requires deposits to be 100% secured by collateral (pledged securities) valued at market, less the amount of the Federal Deposit Insurance Corporation (FDIC) insurance. State statutes define the allowable pledged securities.

At year-end, the carrying amount of the City's deposits was \$3,508,522, with the bank balances of such accounts being \$3,678,150. Of the bank balances, \$709,324 was covered by federal depository insurance and the remaining balance of \$2,968,826 was covered by collateral held by the City's custodial banks in joint custody in the name of the City and its banks. The fair value of those pledged securities held by the City's custodial investment agencies was \$7,206,243, at December 31, 2012.

The City also had cash on hand of \$575 at December 31, 2012.

The City's discretely presented component unit cash and investments at December 31, 2012 consisted of demand deposit and money market checking accounts. At year-end, the carrying amount of the discretely presented component unit deposits was \$21,779 with the bank balances of such accounts being \$31,587. The bank balances were entirely covered by federal depository insurance coverage at December 31, 2012.

3. LONG-TERM DEBT

The following is a summary of changes in long-term debt of the City for the year ended December 31, 2012:

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
General Obligation									
Bonds,									
Series 2002	3.30-4.00	10-1-02	\$3,875,000	10-1-17	\$ 1,880,000	\$ —	\$ 1,880,000	\$ —	\$ 37,679

3. LONG-TERM DEBT (continued)

<u>Issue</u>	<u>Interest Rates</u>	<u>Date of Issue</u>	<u>Amount of Issue</u>	<u>Date of Final Maturity</u>	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Reductions/ Payments</u>	<u>Balance End of Year</u>	<u>Interest Paid</u>
General Obligation Bonds, Series 2004	3.00-5.25	9-1-04	\$4,083,000	10-1-19	\$ 2,535,000	\$ —	\$ 1,960,000	\$ 575,000	\$ 62,923
General Obligation Bonds, Series 2004-2	2.70-4.30	12-1-04	970,000	11-1-20	105,000	—	85,000	20,000	2,738
General Obligation Bonds, Series A 2006	3.70-4.25	3-1-06	1,520,000	3-1-21	1,140,000	—	95,000	1,045,000	44,285
General Obligation Bonds, Series 2007	4.10-5.25	8-1-07	\$4,442,000	10-1-27	3,830,000	—	180,000	3,650,000	166,249
General Obligation Bonds, Series 2008	3.25-4.60	9-15-08	3,175,000	10-1-28	2,705,000	—	170,000	2,535,000	106,950
General Obligation Refunding Bonds, Series 2009	2.00-3.10	12-1-09	2,340,000	12-1-16	1,555,000	—	390,000	1,165,000	40,075
General Obligation Refunding Bonds, Series 2010	2.00-5.00	4-15-10	4,055,000	10-01-30	3,865,000	—	270,000	3,595,000	129,878
General Obligation Bonds, Series 2011	2.50-5.40	11-1-11	107,000	10-01-32	107,000	—	—	107,000	—
General Obligation Refunding & Improvement Bonds, Series 2012	2.00-2.00	7-1-12	3,930,000	10-1-19	—	3,930,000	30,000	3,900,000	19,650
Water and Wastewater Utility System Revenue Bonds, Series 2002	2.50-4.00	10-15-02	3,270,000	10-1-16	1,780,000	—	330,000	1,450,000	67,315
Certificates of Participation, Series 2007	4.00-4.50	11-1-07	590,000	9-1-17	375,000	—	60,000	315,000	16,575
Capital Lease Obligation, Copier	6.929	3-16-07	10,710	6-16-12	999	—	999	—	17
Capital Lease Obligation, Loader/Backhoe	5.65	12-17-07	73,227	2-5-14	53,278	—	4,678	48,600	2,822
Capital Lease Obligation, Copier	8.47	12-31-08	16,768	1-15-14	8,140	—	3,573	4,567	553
Capital lease Obligation, Copier	12.95	6-14-12	8,260	6-4-17	—	8,260	550	7,710	522
Total principal and interest					<u>\$19,939,417</u>	<u>\$3,938,260</u>	<u>\$ 5,459,800</u>	<u>\$18,417,877</u>	<u>\$ 698,231</u>

General obligation bonds

General obligation bonds payable are serial bonds to be retired through calendar year 2032. At December 31, 2012, remaining debt service on the bonds is as follows:

3. LONG-TERM DEBT (continued)

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 1,822,000	\$ 629,615	\$ 2,451,615
2014	1,910,000	572,519	2,482,519
2015	1,735,000	448,794	2,183,794
2016	1,805,000	397,869	2,202,869
2017	1,670,000	346,499	2,016,499
2018	1,275,000	298,819	1,573,819
2019	1,270,000	258,006	1,528,006
2020	925,000	216,344	1,141,344
2021	705,000	180,964	885,964
2022	605,000	152,412	757,412
2023	570,000	127,545	697,545
2024	465,000	103,515	568,515
2025	490,000	83,545	573,545
2026	450,000	62,153	512,153
2027	470,000	42,035	512,035
2028	190,000	21,030	211,030
2029	105,000	11,870	116,870
2030	110,000	6,600	116,600
2031	10,000	1,080	11,080
2032	<u>10,000</u>	<u>540</u>	<u>10,540</u>
Totals	<u>\$16,592,000</u>	<u>\$ 3,961,754</u>	<u>\$ 20,553,754</u>

Remaining debt service requirements for all general obligation bonds will be paid from the debt service fund with future property tax revenues and special assessment taxes except for a portion of the Series 2009 issue. The total principal and interest on the Series 2009 issue that will be paid from revenues of the Water-Sewer Utility Fund at December 31, 2012 are \$183,404 and \$11,536, respectively.

The Series 2004 bonds maturing in the years 2015 and thereafter, may be called for redemption and payment prior to their stated maturity on October 1, 2014, and thereafter, as a whole or in part on any interest payment date at 100% of the principal amount outstanding plus accrued interest thereon to the redemption date.

The Series 2004-2 bonds maturing in the years 2015 and thereafter, may be called for redemption and payment prior to their stated maturity on November 1, 2014, and thereafter, as a whole or in part on any interest payment date at 100% of the principal amount outstanding plus accrued interest thereon to the redemption date.

The Series 2006 bonds maturing in the years 2017 and there after, may be called for redemption and payment prior to their stated maturity on October 1, 2016, and thereafter, as a whole or in part on any interest payment date at 100% of the principal amount outstanding plus accrued interest there on the redemption date.

3. LONG-TERM DEBT (continued)

The Series 2007 bonds maturing in the years 2018 and there after, may be called for redemption and payment prior to their stated maturity on October 1, 2017, and thereafter, as a whole or in part on any interest payment date at 100% of the principal amount outstanding plus accrued interest there on the redemption date.

The Series 2008 bonds maturing in the years 2018 and there after, may be called for redemption and payment prior to their stated maturity on October 1, 2017, and thereafter, as a whole or in part on any interest payment date at 100% of the principal amount outstanding plus accrued interest there on the redemption date.

The Series 2009 bonds are not subject to redemption prior to their stated maturity dates.

The Series 2010 bonds maturing in the years 2020 and thereafter, may be called for redemption and payment prior to their stated maturity on October 1, 2019, and thereafter, as a whole or in part, at any time at 100% of the principal amount outstanding plus accrued interest there on to the redemption date.

The Series 2011 bonds maturing in the years 2017 and thereafter, may be called for redemption and payment prior to their stated maturity on October 1, 2017, and thereafter, as a whole or in part, at any time at 100% of the principal amount outstanding plus accrued interest there on to the redemption date.

The Series 2012 bonds are not subject to redemption and payment prior to their stated maturity.

Revenue and refunding revenue bonds

Revenue and refunding revenue bonds payable are bonds to be retired through calendar year 2016. At December 31, 2012 debt service to maturity for the refunding revenue bonds are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 340,000	\$ 55,765	\$ 395,765
2014	350,000	43,525	393,525
2015	375,000	30,400	405,400
2016	<u>385,000</u>	<u>15,400</u>	<u>400,400</u>
	<u>\$ 1,450,000</u>	<u>\$ 145,090</u>	<u>\$ 1,595,090</u>

On October 15, 2002, the City issued \$3,270,000 of Water and Wastewater Utility System Refunding Revenue Bonds Series 2002, bearing interest from 2.50% to 4.00%, the net proceeds of which were used to advance refund the Water and Wastewater Utility System Revenue Bonds Series 1996.

3. LONG-TERM DEBT (continued)

The Series 2002 Refunding Revenue Bonds are secured by revenues derived from the operations of the Water-Sewer Fund. The Series 2002 Refunding Revenue Bonds maturing in the years 2013 and thereafter may be called for redemption and payment prior to their stated maturity at any time, at the redemption price of 100%, plus accrued interest thereon to the redemption date.

The revenue bond resolution of the 2002 Water and Wastewater Utility System Refunding Revenue Bonds provide for deposits to: (a) principal and interest account each month to provide for the payment of principal and interest on the bonds as they become due and payable, (b) bond reserve account to accumulate to a maximum stated amount to be used solely and exclusively for payments of principal and interest of such bonds for which funds might not otherwise be available or may be used to call the bonds for redemption and payment prior to their maturity, with a maximum accumulation of \$400,000, and (c) surplus account to accumulate moneys not required in (a) or (b) above and not required for the operation and maintenance of the plant and system for a period of sixty days to be used to pay the cost of operation, maintenance and repair, improving, extending or enlarging the system or to redeem prior to maturity outstanding bonds of the system. The revenue bond resolutions provide for user rates to be established at a level that will generate net operating income at an amount not to be less than 125% of the current year principal and interest requirement of all currently outstanding indebtedness of the system. At December 31, 2012, the City was in compliance with these reserve requirements of the revenue bond resolutions.

Certificates of participation

Certificates of participation will be retired through calendar year 2017. At December 31, 2012 debt service to maturity for the certificates of participation are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 55,000	\$ 14,175	\$ 69,175
2014	60,000	11,700	71,700
2015	65,000	9,000	74,000
2016	65,000	6,075	71,075
2017	<u>70,000</u>	<u>3,150</u>	<u>73,150</u>
	<u>\$ 315,000</u>	<u>\$ 44,100</u>	<u>\$ 359,100</u>

Certificates of Participation, Series 2002, dated March 1, 2002, in the amount of \$465,000 were issued pursuant to a lease purchase agreement between the City, as lessee, and Intrust Bank, N.A., Wichita, Kansas, as trustee and lessor. The Certificates of Participation were issued to finance the acquisition of a recreation facility.

In November 2007, the City advance refunded Certificates of Participation, Series 2002 by issuing Certificates of Participation, Series 2007 and placing a portion of the proceeds in an irrevocable trust with an escrow agent to provide all future debt service payments of the Certificates of Participation, Series 2002 as they become due with final payment due September 1, 2012.

3. LONG-TERM DEBT (continued)

Certificates of Participation, Series 2007, dated November 1, 2007, in the amount of \$590,000 were issued pursuant to a lease purchase agreement between the City, as lessee, and The Bank of New York Trust Company, N.A., as trustee and lessor. The Certificates of Participation were issued to finance improvements to a recreation facility and to advance refund the Certificates of Participation, Series 2002. The lease requires semiannual payments of interest, with rates varying from 4.0% to 4.5%, and annual principal payments, with final payment due September 1, 2017.

Remaining debt service requirements for the certificates of participation will be paid from the Recreation Department Fund with fees generated from facility memberships, programs and other resources available to the City.

Capital lease obligations

In March 2007, the City entered into a lease agreement with a financial institution for copying equipment in the amount of \$10,710. The lease agreement provides for monthly lease payments, including interest, of \$203 through June 2012.

In December 2007, the City entered into a lease agreement with a financial institution for the acquisition of a loader/backhoe in the amount of \$69,441. The original lease agreement provides for annual lease payments, including interest, of \$7,500 through February 2011 and one final payment of \$56,749 in February 2012. The lease agreement was amended with the terms of the original lease agreement with an extension of the lease maturity to February 2014 with a final payment of \$45,834.

In December 2008, the City entered into a lease agreement with a vendor for the acquisition of copying equipment in the amount of \$16,768. The lease agreement provides for monthly lease payments, including interest, of \$344 through February 2014.

The City entered into a lease agreement during 2012 with a vendor for the acquisition of copying equipment in the amount of \$8,260. The lease agreement provides for monthly lease payments, including interest, of \$189 through June 2017.

The capital lease obligations will be retired through calendar year 2017. At December 31, 2012 the capital lease payments are as follows:

<u>Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2013	\$ 10,177	\$ 3,718	\$ 13,895
2014	45,875	2,917	48,792
2015	1,746	524	2,270
2016	1,986	284	2,270
2017	<u>1,093</u>	<u>42</u>	<u>1,135</u>
	<u>\$ 60,877</u>	<u>\$ 7,485</u>	<u>\$ 68,362</u>

4. PENSION PLAN

Plan description

The City participates in the Kansas Public Employees Retirement System (KPERS), a cost sharing multiple employer defined benefit pension plan as provided by K.S.A. 74-4901, et. seq. KPERS provides retirement benefits, life insurance, disability income benefits and death benefits. Kansas law establishes and amends benefit provisions. KPERS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to KPERS, 611 S. Kansas Avenue, Suite 100, Topeka, Kansas 66603-3803 or by calling 1-888-275-5737.

Funding policy

K.S.A. 74-4919 establishes the KPERS member-employee contribution rate at 4% of covered salary for participants employed prior to July 1, 2009 and at 6% for new participants employed July 1, 2009 and thereafter. The City collects and remits member-employee contributions according to the provisions of Section 414(h) of the Internal Revenue Code. State law provides that the employer contribution rate be determined annually based on the results of an annual actuarial valuation. KPERS is funded on an actuarial reserve basis. State law sets a limitation on annual increases in the contribution rates for KPERS employers. The employer rate established for calendar year 2012 was 8.34%. Included in this rate is the contribution for Group Death and Disability Insurance of 1.0%. There was a moratorium on the collection of Group Death and Disability Insurance premium from April 1, 2012 through June 30, 2012. The City's employer contributions to KPERS for the years ending December 31, 2012, 2011 and 2010 were \$263,685, \$247,683, and \$227,363, respectively, equal to the statutory required contributions for each year.

5. CAPITAL PROJECT AUTHORIZATIONS

At December 31, 2012 capital project authorizations compared with project expenditures from inception are as follows:

	Project authorizations	Expenditures project inception to December 31, 2012
Country Plaza Villa Addition – Street Improvements	\$ 470,668	\$ 360,027
Public Water Supply System Improvements	402,983	402,983

6. INTERFUND TRANSFERS

A summary of interfund transfers by individual fund for 2012 is as follows:

6. INTERFUND TRANSFERS

<u>Fund</u>	<u>Transfers In</u>	<u>Transfers Out</u>
General	\$ 234,435	\$ 800,653
Special Street	—	51,709
Recreation Department	116,059	7,000
Park Improvement Reserve	42,295	—
Equipment Reserve	7,000	—
Debt Service Fund	246,944	—
Multi-Year Capital Improvements Plan	718,874	258,284
Water-Sewer Utility	—	903,021
Stormwater	—	73,366
Water/Wastewater Revenue Bond Reserve	396,927	—
Water/Wastewater Revenue Bond Surplus Reserve	264,391	—
Water/Wastewater G.O. Bond Debt Service Reserve	<u>67,108</u>	<u>—</u>
	<u>\$ 2,094,033</u>	<u>\$ 2,094,033</u>

7. OTHER POST EMPLOYMENT BENEFITS

As provided by K.S.A. 12-5040, the City is required to allow retirees to participate in its group health insurance plan. While each retiree is required to pay the full amount of the applicable premium, conceptually, the local government is subsidizing the retirees because each participant is charged a level premium regardless of age. However, the cost of this subsidy, if any, has not been quantified in these financial statements.

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and their eligible dependents. Certain requirements are outlined by the federal government for this coverage. The premium is paid entirely by the insured and there is no cost to the City under this program.

8. ADVANCE REFUNDING

On July 1, 2012, the City entered into an advance refunding transaction whereby it issued \$3,930,000 of General Obligation Refunding and Improvement Bonds, Series 2012, with an interest rate of 2.00%, to advance refund a portion of the City's General Obligation Bonds, Series 2002, with interest rates from 3.50 to 3.65%, General Obligation Bonds, Series 2004, with interest rates from 3.75% to 4.15%, and General Obligation Bonds, Series 2004-2, with an interest rate of 4.30%. Proceeds from the Series 2012 Refunding and Improvement Bonds in the amount of \$3,556,968 were placed with the City's escrow agent to provide for the principal and interest to the call date of October 1, 2012 for \$1,600,000 of the Series 2002 Bonds maturing from October 1, 2013 through October 1, 2017, the call date of October 1, 2014 for \$1,690,000 of the Series 2004 Bonds maturing

8. ADVANCE REFUNDING (continued)

from October 1, 2015 through October 1, 2019, and the call date of November 1, 2014 for \$75,000 of the Series 2004-2 Bonds maturing from November 1, 2015 through November 1, 2020.

The City entered into the refunding transaction for the Series 2002 Bonds, Series 2004 Bonds and Series 2004-2 Bonds to reduce its total debt service payments over the next 10 years by \$131,169 and to obtain an economic gain (difference between the present values of the debt service payments on the old and new debt) of \$126,934.

9. COMMITMENTS AND CONTINGENCIES

Grant Programs

The City receives grant funds from various Federal and State agencies. The grant programs are subject to audit by agents of the granting authority, the purpose of which is to ensure compliance with conditions precedent to the granting of funds. It is management's opinion that any liability for reimbursement, which may arise as the result of these audits, would not be material to the City's financial statements.

Construction and Other

The City had outstanding commitments for software system improvements for the wastewater treatment plant of \$71,500 and wastewater line improvements of \$162,800 as of December 31, 2012.

Litigation

The City is the defendant in certain threatened and pending litigation matters. Management has taken the position that it will vigorously defend against these actions.

10. SUBSEQUENT EVENTS

Management has evaluated subsequent events through May 29, 2013, the date on which the financial statement was available to be issued.

REGULATORY – REQUIRED
SUPPLEMENTARY INFORMATION

CITY OF HAYSVILLE, KANSAS
SUMMARY OF EXPENDITURES - ACTUAL AND BUDGET - REGULATORY BASIS
(BUDGETED FUNDS ONLY)

For the year ended December 31, 2012

	<u>Certified Budget</u>	<u>Adjustment for Qualifying Budget Credits</u>	<u>Total Budget for Comparison</u>	<u>Expenditures Chargeable to Current Year</u>	<u>Variance - Favorable (Unfavorable)</u>
General Fund	\$ 5,035,376	\$ -	\$ 5,035,376	\$ 4,688,561	\$ 346,815
Special Purpose Funds:					
Special Street	441,418	-	441,418	370,800	70,618
Law Enforcement	256,800	-	256,800	112,285	144,515
Library	332,884	-	332,884	321,215	11,669
Special Liability	39,000	-	39,000	38,879	121
Special Alcohol	57,535	-	57,535	7,109	50,426
Special Parks and Recreation	17,580	-	17,580	2,469	15,111
Recreation Department	609,104	-	609,104	563,365	45,739
Transient Guest Tax	32,000	-	32,000	23,830	8,170
Debt Service Fund:					
Debt Service	2,131,988	-	2,131,988	2,127,719	4,269
Business Funds:					
Water-Sewer Utility	2,984,592	-	2,984,592	2,781,460	203,132
Municipal Pool	107,050	-	107,050	102,102	4,948
Stormwater	155,085	-	155,085	129,994	25,091

CITY OF HAYSVILLE, KANSAS

GENERAL FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES –
BUDGET AND ACTUAL – REGULATORY BASIS
(continued on next page)**

	Year ended December 31,			
		2012		
	2011			Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Favorable (Unfavorable)</u>
Cash receipts:				
Taxes:				
Ad valorem taxes	\$ 1,590,450	\$1,582,452	\$1,655,857	\$ (73,405)
Delinquent taxes	84,035	63,809	52,500	11,309
Motor vehicle and recreational vehicle taxes	237,570	241,494	242,033	(539)
Franchise	613,488	611,790	595,472	16,318
Intergovernmental:				
Countywide sales tax	1,368,229	1,437,749	1,357,000	80,749
Liquor tax	4,953	4,374	4,573	(199)
Licenses and permits	75,035	60,230	151,070	(90,840)
Fines and forfeitures	176,311	194,098	273,450	(79,352)
Use of money and property	25,586	21,418	13,000	8,418
Miscellaneous	60,212	62,788	27,725	35,063
Transfers in	244,969	234,435	263,348	(28,913)
Reimbursed expenditures	<u>150,802</u>	<u>153,564</u>	<u>265,124</u>	<u>(111,560)</u>
Total cash receipts	<u>4,631,640</u>	<u>4,668,201</u>	<u>\$4,901,152</u>	<u>\$(232,951)</u>
Expenditures:				
Administration	161,107	161,336	\$ 145,810	\$ (15,526)
Police	1,474,304	1,470,133	1,566,902	96,769
Park	195,136	188,733	213,210	24,477
Planning Commission	32,889	36,631	36,060	(571)
Municipal Court	153,752	178,267	166,321	(11,946)
Street lighting	76,849	79,898	74,328	(5,570)
Buildings and grounds	78,264	77,001	70,394	(6,607)
Special Funds	234,733	202,977	218,421	15,444

CITY OF HAYSVILLE, KANSAS

GENERAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
BUDGET AND ACTUAL – REGULATORY BASIS
(continued from previous page)

	Year ended December 31,			
		2012		Variance
	2011	Actual	Budget	Favorable
	Actual			(Unfavorable)
Senior Center	\$ 21,208	\$ 23,037	\$ 23,369	\$ 332
Governmental services	207,128	209,084	223,561	14,477
Information Systems	43,393	36,964	40,485	3,521
Media Specialist	22,018	17,884	20,308	2,424
Miscellaneous	1,105	5,983	63,609	57,626
Inspection	70,065	64,035	89,868	25,833
Employee benefits	1,001,312	1,025,945	1,223,184	197,239
Bond	184,546	110,000	119,546	9,546
Transfers out	<u>782,945</u>	<u>800,653</u>	<u>740,000</u>	<u>(60,653)</u>
Total expenditures	<u>4,740,754</u>	<u>4,688,561</u>	<u>\$5,035,376</u>	<u>\$ 346,815</u>
Expenditures over cash receipts	(109,114)	(20,360)		
Cancellation of prior year encumbrances	2,703	5,189		
Unencumbered cash balance, beginning of year	<u>265,241</u>	<u>158,830</u>	<u>\$ 134,224</u>	<u>\$ 24,606</u>
Unencumbered cash balance, end of year	<u>\$ 158,830</u>	<u>\$ 143,659</u>	<u>\$ —</u>	<u>\$ 143,659</u>

CITY OF HAYSVILLE, KANSAS

SPECIAL STREET FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			
		2012		Variance
	2011	Actual	Budget	Favorable (Unfavorable)
	Actual			
Cash receipts:				
Motor fuels tax	\$ 278,219	\$ 281,213	\$ 278,950	\$ 2,263
Special gasoline tax	126,591	124,299	128,260	(3,961)
Use of money and property	722	2,110	3,250	(1,140)
Miscellaneous	<u>13,195</u>	<u>6,109</u>	<u>1,000</u>	<u>5,109</u>
Total cash receipts	<u>418,727</u>	<u>413,731</u>	<u>\$ 411,460</u>	<u>\$ 2,271</u>
Expenditures:				
Personal services	112,110	106,164	\$ 132,952	\$ 26,788
Utilities and telephone	11,832	14,661	13,750	(911)
Insurance	15,851	16,949	20,000	3,051
Office expense	840	317	1,000	683
Meetings and travel	879	353	1,500	1147
Miscellaneous	5,848	5,695	700	(4,995)
Uniforms	2,795	907	2,500	1,593
Materials	59,320	51,773	57,500	5,727
Contractual	138,081	70,372	96,030	25,658
Equipment maintenance	38,273	49,400	28,000	(21,400)
Capital Outlay	1,106	–	5,000	5,000
Debt service	2,500	2,500		(2,500)
Transfers out	<u>77,964</u>	<u>51,709</u>	<u>82,486</u>	<u>30,777</u>
Total expenditures	<u>467,399</u>	<u>370,800</u>	<u>\$ 441,418</u>	<u>\$ 70,618</u>
Cash receipts over (under)				
expenditures	(48,672)	42,931		
Cancellation of prior year				
encumbrances	7,690	313		
Unencumbered cash balance,				
beginning of year	<u>69,190</u>	<u>28,208</u>	<u>\$ 29,958</u>	<u>\$ (1,750)</u>
Unencumbered cash balance,				
end of year	<u>\$ 28,208</u>	<u>\$ 71,452</u>	<u>\$ –</u>	<u>\$ 71,452</u>

CITY OF HAYSVILLE, KANSAS

LAW ENFORCEMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			
		2012		
	2011 Actual	Actual	Budget	Variance Favorable (Unfavorable)
Cash receipts:				
Ad valorem tax	\$ 102,279	\$ 103,088	\$ 108,312	\$ (5,224)
Delinquent tax	5,226	4,014	3,200	814
Motor vehicle and recreational vehicle tax	14,968	15,266	15,301	(35)
Interest	1,145	736	2,000	(1,264)
Miscellaneous	<u>2,575</u>	<u>2,131</u>	<u>13,000</u>	<u>(10,869)</u>
Total cash receipts	<u>126,193</u>	<u>125,235</u>	<u>\$ 141,813</u>	<u>\$ (16,578)</u>
Expenditures:				
Personal services	117,297	110,360	\$ 245,000	\$ 134,640
Miscellaneous	13,589	1,352	1,800	448
Capital outlay	<u>–</u>	<u>573</u>	<u>10,000</u>	<u>9,427</u>
Total expenditures	<u>130,886</u>	<u>112,285</u>	<u>\$ 256,800</u>	<u>\$ 144,515</u>
Cash receipts over (under) expenditures	(4,693)	12,950		
Cancellation of prior year encumbrances	5,965	–		
Unencumbered cash balance, beginning of year	<u>174,501</u>	<u>175,773</u>	<u>\$ 114,987</u>	<u>\$ 60,786</u>
Unencumbered cash balance, end of year	<u>\$ 175,773</u>	<u>\$ 188,723</u>		

CITY OF HAYSVILLE, KANSAS

LIBRARY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			
		2012		
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Variance Favorable (Unfavorable)
Cash receipts:				
Ad valorem tax	\$ 268,482	\$ 271,057	\$ 284,320	\$ (13,263)
Delinquent tax	13,721	10,086	8,400	1,686
Motor vehicle and recreational vehicle tax	<u>39,305</u>	<u>40,072</u>	<u>40,164</u>	<u>(92)</u>
Total cash receipts	321,508	321,215	<u>\$ 332,884</u>	<u>\$ (11,669)</u>
Expenditures:				
Appropriation to Library Board	<u>321,508</u>	<u>321,215</u>	<u>\$ 332,884</u>	<u>\$ 11,669</u>
Cash receipts over expenditures	—	—		
Unencumbered cash balance, beginning of year	<u>—</u>	<u>—</u>	<u>\$ —</u>	<u>\$ —</u>
Unencumbered cash balance, end of year	<u>\$ —</u>	<u>\$ —</u>		

CITY OF HAYSVILLE, KANSAS

SPECIAL LIABILITY FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			Variance Favorable (Unfavorable)
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash receipts:				
Ad valorem tax	\$ 17,587	\$ 32,237	\$ 33,019	\$ (782)
Delinquent tax	1,345	805	—	805
Motor vehicle and recreational vehicle tax	<u>2,607</u>	<u>2,624</u>	<u>2,629</u>	<u>(5)</u>
Total cash receipts	21,539	35,666	<u>\$ 35,648</u>	<u>\$ 18</u>
Expenditures:				
Liability insurance	<u>36,000</u>	<u>38,879</u>	<u>\$ 39,000</u>	<u>\$ 121</u>
Expenditures over cash receipts	(14,461)	(3,213)		
Unencumbered cash balance, beginning of year	<u>18,616</u>	<u>4,155</u>	<u>\$ 3,352</u>	<u>\$ 803</u>
Unencumbered cash balance, end of year	<u>\$ 4,155</u>	<u>\$ 942</u>		

CITY OF HAYSVILLE, KANSAS

SPECIAL ALCOHOL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			
		2012		
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Variance Favorable (Unfavorable)
Cash receipts:				
Liquor tax	\$ 4,953	\$ 4,374	\$ 4,573	\$ (199)
Intergovernmental	—	1,500	—	1,500
Interest	<u>232</u>	<u>142</u>	<u>350</u>	<u>(208)</u>
Total cash receipts	5,185	6,016	<u>\$ 4,923</u>	<u>\$ 1,093</u>
Expenditures:				
Prevention and education	<u>8,840</u>	<u>7,109</u>	<u>\$ 57,535</u>	<u>\$ 50,426</u>
Expenditures over cash receipts	(3,655)	(1,093)		
Unencumbered cash balance, beginning of year	<u>51,723</u>	<u>48,068</u>	<u>\$ 52,612</u>	<u>\$ (4,544)</u>
Unencumbered cash balance, end of year	<u>\$ 48,068</u>	<u>\$ 46,975</u>		

CITY OF HAYSVILLE, KANSAS

SPECIAL PARKS AND RECREATION FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			
		2012		
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Variance Favorable (Unfavorable)
Cash receipts:				
Liquor tax	\$ 4,953	\$ 4,374	\$ 4,573	\$ (199)
Interest	65	38	312	(274)
Donations	<u>—</u>	<u>—</u>	<u>300</u>	<u>(300)</u>
Total cash receipts	<u>5,018</u>	<u>4,412</u>	<u>\$ 5,185</u>	<u>\$ (773)</u>
Expenditures:				
Miscellaneous	9,373	1,550	\$ 3,600	\$ 2,050
July 4 th (fish)	—	570	750	180
Capital Outlay	—	—	12,773	12,773
Education connection	<u>484</u>	<u>349</u>	<u>457</u>	<u>108</u>
Total expenditures	<u>9,857</u>	<u>2,469</u>	<u>\$ 17,580</u>	<u>\$ 15,111</u>
Cash receipts over (under) expenditures	(4,839)	1,943		
Unencumbered cash balance, beginning of year	<u>16,997</u>	<u>12,158</u>	<u>\$ 12,395</u>	<u>\$ (237)</u>
Unencumbered cash balance, end of year	<u>\$ 12,158</u>	<u>\$ 14,101</u>		

CITY OF HAYSVILLE, KANSAS

RECREATION DEPARTMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS
(continued on next page)

	Year ended December 31,			
		2012		
	2011			Variance
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Favorable</u> <u>(Unfavorable)</u>
Cash receipts:				
Program fees	\$ 78,488	\$ 72,147	\$ 88,850	\$ (16,703)
Admissions/membership fees	43,113	46,691	52,000	(5,309)
Activity Center concessions	3,274	3,824	5,500	(1,676)
P-C concessions	1,168	856	4,000	(3,144)
Latchkey program fees	271,029	302,688	284,058	18,630
Interest	731	421	750	(329)
Miscellaneous	3,858	2,574	7,916	(5,342)
Ball League		2,065	–	2,065
Transfers in	<u>117,472</u>	<u>116,059</u>	<u>132,059</u>	<u>(16,000)</u>
Total cash receipts	<u>519,133</u>	<u>547,325</u>	<u>\$ 575,133</u>	<u>\$ (27,808)</u>
Expenditures:				
Personal services	323,481	342,859	\$ 405,014	\$ 62,155
Telephone	3,649	4,185	3,800	(385)
Utilities	19,881	22,878	19,790	(3,088)
Office expense	6,459	7,346	9,550	2,204
Equipment maintenance	4,196	2,562	6,450	3,888
Materials	2,915	3,875	2,600	(1,275)
Postage	1,561	1,228	1,800	572
Miscellaneous	1,215	1,719	500	(1,219)
Uniforms		279	400	121
Training/education/fees	1,049	2,068	2,890	822
Insurance	3,292	6,548	3,600	(2,948)
Building maintenance	15,757	4,062	9,000	4,938
Activity Center concessions	3,615	3,984	4,000	16
P-C concessions	4,702	603	3,025	2,422
P-C utilities	5,033	5,535	6,075	540
P-C Sports Complex		4,464	3,000	(1,464)
Latchkey program	21,703	40,296	22,000	(18,296)
Programs	21,040	23,211	22,035	(1,176)

CITY OF HAYSVILLE, KANSAS

RECREATION DEPARTMENT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS
(continued from previous page)

	Year ended December 31,			
		2012		
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Variance Favorable (Unfavorable)
Debt service	\$ 73,775	\$ 78,663	\$ 76,575	\$ (2,088)
Transfers out	<u>7,000</u>	<u>7,000</u>	<u>7,000</u>	<u>—</u>
Total expenditures	<u>520,323</u>	<u>563,365</u>	<u>\$ 609,104</u>	<u>\$ 45,739</u>
Expenditures over cash receipts	(1,190)	(16,040)		
Cancellation of prior year encumbrances	4,146	708		
Unencumbered cash balance, beginning of year	<u>112,447</u>	<u>115,403</u>	<u>\$ 105,079</u>	<u>\$ 10,324</u>
Unencumbered cash balance, end of year	<u>\$ 115,403</u>	<u>\$ 100,071</u>	<u>\$ 71,108</u>	<u>\$ 28,963</u>

CITY OF HAYSVILLE, KANSAS

TRANSIENT GUEST TAX FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			
		2012		
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Variance Favorable (Unfavorable)
Cash receipts:				
Transient guest tax	\$ 10,375	\$ 41,942	\$ 24,000	\$ 17,942
Interest	<u>14</u>	<u>62</u>	<u>—</u>	<u>62</u>
Total cash receipts	10,389	42,004	<u>\$ 24,000</u>	<u>\$ 18,004</u>
Expenditures:				
Tourism and convention promotion	<u>—</u>	<u>23,830</u>	<u>\$ 32,000</u>	<u>\$ 8,170</u>
Cash receipts over expenditures	10,389	18,174		
Unencumbered cash balance, beginning of year	<u>—</u>	<u>10,389</u>	<u>\$ 8,000</u>	<u>\$ 2,389</u>
Unencumbered cash balance, end of year	<u>\$ 10,389</u>	<u>\$ 28,563</u>		

CITY OF HAYSVILLE, KANSAS

HAYSVILLE HISTORICAL FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES --
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Interest	\$ 11	\$ 23
Miscellaneous	<u>3,330</u>	<u>3,564</u>
Total cash receipts	3,341	3,587
Expenditures:		
Contractual services	<u>5,008</u>	<u>4,243</u>
Expenditures over cash receipts	(1,667)	(656)
Unencumbered cash balance, beginning of year	<u>4,549</u>	<u>5,205</u>
Unencumbered cash balance, end of year	<u>\$ 2,882</u>	<u>\$ 4,549</u>

CITY OF HAYSVILLE, KANSAS

PROGRAM FOR THE AGED FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS**

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Intergovernmental	\$ <u>35,000</u>	\$ <u>35,000</u>
Expenditures:		
Personal services	27,695	27,625
Contractual services	6,681	6,780
Commodities	<u>624</u>	<u>595</u>
Total expenditures	<u>35,000</u>	<u>35,000</u>
Cash receipts over (under) expenditures	—	—
Unencumbered cash balance, beginning of year	<u>—</u>	<u>—</u>
Unencumbered cash balance, end of year	<u>\$ —</u>	<u>\$ —</u>

CITY OF HAYSVILLE, KANSAS
FEDERAL LAW ENFORCEMENT TRUST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Interest	\$ 672	\$ 425
Miscellaneous	<u>394,364</u>	<u>43,116</u>
Total cash receipts	395,036	43,541
Expenditures:		
Capital outlay	<u>85,931</u>	<u>23,188</u>
Cash receipts over expenditures	309,105	20,353
Unencumbered cash balance, beginning of year	<u>104,325</u>	<u>83,972</u>
Unencumbered cash balance, end of year	<u>\$ 413,430</u>	<u>\$ 104,325</u>

CITY OF HAYSVILLE, KANSAS
CITY LAW ENFORCEMENT TRUST FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Interest	\$ 53	\$ 84
Miscellaneous	<u>94</u>	<u>—</u>
Total cash receipts	147	84
Expenditures:		
Miscellaneous	<u>—</u>	<u>—</u>
Cash receipts over expenditures	147	84
Unencumbered cash balance, beginning of year	<u>18,157</u>	<u>18,073</u>
Unencumbered cash balance, end of year	<u>\$ 18,304</u>	<u>\$ 18,157</u>

CITY OF HAYSVILLE, KANSAS

HAYSVILLE DISASTER FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Interest	\$ 6	\$ 9
Expenditures:		
Contractual services	<u> —</u>	<u> —</u>
Cash receipts over expenditures	6	9
Unencumbered cash balance, beginning of year	<u>2,071</u>	<u>2,062</u>
Unencumbered cash balance, end of year	<u>\$ 2,077</u>	<u>\$ 2,071</u>

CITY OF HAYSVILLE, KANSAS
COMMUNITY RESOURCE ACT GRANT FUND
SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Intergovernmental – State grant	\$ 2,040	\$ 3,000
Donations		211
Interest	<u>14</u>	<u>19</u>
Total cash receipts	2,054	3,230
Expenditures:		
Commodities	<u>2,465</u>	<u>493</u>
Cash receipts over (under) expenditures	(411)	2,737
Unencumbered cash balance, beginning of year	<u>3,932</u>	<u>1,195</u>
Unencumbered cash balance, end of year	<u>\$ 3,521</u>	<u>\$ 3,932</u>

CITY OF HAYSVILLE, KANSAS

SPECIAL HIGHWAY IMPROVEMENT RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Interest	\$ 196	\$ 328
Miscellaneous	<u>—</u>	<u>3,609</u>
Total cash receipts	196	3,937
Expenditures:		
Capital outlay	<u>66,000</u>	<u>—</u>
Cash receipts over (under) expenditures	(65,804)	3,937
Unencumbered cash balance, beginning of year	<u>72,551</u>	<u>68,614</u>
Unencumbered cash balance, end of year	<u>\$ 6,747</u>	<u>\$ 72,551</u>

CITY OF HAYSVILLE, KANSAS

OFFICE EQUIPMENT RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Interest	\$ 90	\$ 149
Miscellaneous	<u>44</u>	<u>76</u>
Total cash receipts	134	225
Expenditures:		
Capital outlay	<u>2,349</u>	<u>–</u>
Cash receipts over (under) expenditures		(2,215) 225
Unencumbered cash balance, beginning of year	<u>32,537</u>	<u>32,312</u>
Unencumbered cash balance, end of year	<u>\$ 30,322</u>	<u>\$ 32,537</u>

CITY OF HAYSVILLE, KANSAS

PARK IMPROVEMENT RESERVE FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS**

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Use of money and property	\$ 114	\$ 152
Miscellaneous	–	8
Transfers in	<u>42,295</u>	<u>45,133</u>
Total cash receipts	42,409	45,293
Expenditures:		
Capital outlay	<u>45,722</u>	<u>30,978</u>
Cash receipts over (under) expenditures	(3,313)	14,315
Cancellation of prior year encumbrances	–	2,380
Unencumbered cash balance, beginning of year	<u>33,378</u>	<u>16,683</u>
Unencumbered cash balance, end of year	<u>\$ 30,065</u>	<u>\$ 33,378</u>

CITY OF HAYSVILLE, KANSAS

EQUIPMENT RESERVE FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES --
REGULATORY BASIS**

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Interest	\$ 1,093	\$ 1,267
Miscellaneous	41,556	8,805
Transfers in	<u>7,000</u>	<u>110,000</u>
Total cash receipts	49,649	120,072
Expenditures:		
Capital outlay	<u>62,004</u>	<u>7,959</u>
Cash receipts over (under) expenditures	(12,355)	112,113
Unencumbered cash balance, beginning of year	<u>385,068</u>	<u>272,955</u>
Unencumbered cash balance, end of year	<u>\$ 372,713</u>	<u>\$ 385,068</u>

CITY OF HAYSVILLE, KANSAS

DEBT SERVICE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			Variance Favorable (Unfavorable)
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash receipts:				
Ad valorem tax	\$ 464,707	\$ 474,510	\$ 486,398	\$ (11,888)
Delinquent tax	22,040	17,663	2,500	15,163
Motor vehicle and recreational vehicle tax	67,960	69,360	69,520	(160)
Special assessments	1,219,304	1,217,587	1,180,908	36,679
Use of money and property	3,753	2,319	4,500	(2,181)
Miscellaneous	5,192	14,327	5,665	8,662
Transfers in	<u>248,717</u>	<u>246,944</u>	<u>248,175</u>	<u>(1,231)</u>
Total cash receipts	<u>2,031,673</u>	<u>2,042,710</u>	<u>\$1,997,666</u>	<u>\$ 45,044</u>
Expenditures:				
Bond principal	1,487,029	1,633,603	\$1,603,603	\$ (30,000)
Bond interest	570,567	494,116	528,085	33,969
Commission and postage	<u>—</u>	<u>—</u>	<u>300</u>	<u>300</u>
Total expenditures	<u>2,057,596</u>	<u>2,127,719</u>	<u>\$2,131,988</u>	<u>\$ 4,269</u>
Expenditures over cash receipts	(25,923)	(85,009)		
Unencumbered cash balance, beginning of year	<u>170,951</u>	<u>145,028</u>	<u>\$ 134,322</u>	<u>\$ 10,706</u>
Unencumbered cash balance, end of year	<u>\$ 145,028</u>	<u>\$ 60,019</u>		

CITY OF HAYSVILLE, KANSAS

MULTI-YEAR CAPITAL IMPROVEMENTS PLAN FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Proceeds from general obligation bonds	\$ —	\$ 107,000
Fees	8,770	—
Interest	842	2,605
Miscellaneous	40,267	13,129
Transfers in	<u>718,874</u>	<u>684,115</u>
Total cash receipts	<u>768,753</u>	<u>806,849</u>
Expenditures:		
Capital outlays	774,688	739,594
Transfers out	<u>258,284</u>	<u>256,026</u>
Total expenditures	<u>1,032,972</u>	<u>995,620</u>
Expenditures over cash receipts	(264,219)	(188,771)
Cancellation of prior year encumbrances	48,941	—
Unencumbered cash balance, beginning of year	<u>327,962</u>	<u>516,733</u>
Unencumbered cash balance, end of year	<u>\$ 112,684</u>	<u>\$ 327,962</u>

CITY OF HAYSVILLE, KANSAS

HAYSVILLE ACTIVITY CENTER ACQUISITION PROJECT FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Interest	\$ 6	\$ 9
Expenditures:		
Debt service	<u> —</u>	<u> —</u>
Cash receipts over expenditures	6	9
Unencumbered cash balance, beginning of year	<u>2,006</u>	<u>1,997</u>
Unencumbered cash balance, end of year	<u>\$ 2,012</u>	<u>\$ 2,006</u>

CITY OF HAYSVILLE, KANSAS

BOND SERIES 2012 FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS**

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Proceeds from sale of bonds	<u>\$ 402,983</u>	<u>\$ —</u>
Expenditures:		
Capital outlays – water system improvements	400,000	—
Debt issuance costs	<u>2,983</u>	<u>—</u>
Total expenditures	<u>402,983</u>	<u>—</u>
Cash receipts over expenditures	—	—
Unencumbered cash balance, beginning of year	<u>—</u>	<u>—</u>
Unencumbered cash balance, end of year	<u>\$ —</u>	<u>\$ —</u>

CITY OF HAYSVILLE, KANSAS

TEMPORARY NOTES 2012 FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Interest	\$ 187	\$ –
Proceeds from temporary notes	<u>406,000</u>	<u>–</u>
Total cash receipts	<u>406,187</u>	<u>–</u>
Expenditures:		
Country Plaza Villas improvements	354,871	–
Debt issuance costs	<u>4,655</u>	<u>–</u>
Total expenditures	<u>359,526</u>	<u>–</u>
Cash receipts over expenditures	46,661	–
Unencumbered cash balance, beginning of year	<u>–</u>	<u>–</u>
Unencumbered cash balance, end of year	<u>\$ 46,661</u>	<u>\$ –</u>

CITY OF HAYSVILLE, KANSAS

WATER – SEWER UTILITY FUND

SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL – REGULATORY BASIS
(continued on next page)

	Year ended December 31,			
	2012			Variance
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Favorable (Unfavorable)
Cash receipts:				
Water Department:				
Charges for services	\$ 846,056	\$ 862,020	\$ 831,242	\$ 30,778
Set up fees	12,930	12,340	18,000	(5,660)
Transfer fees	990	690	1,425	(735)
Tap fees	20,175	23,000	55,000	(32,000)
Penalties	19,146	18,682	18,000	682
Sales tax	7,878	8,584	5,283	3,301
Water protection fees	9,732	10,705	13,220	(2,515)
Interest on investments	878	464	1,500	(1,036)
Bulk water sales	150	312	–	312
Temporary Service	274	220	–	220
Miscellaneous	7,882	6,847	8,000	(1,153)
Sewer Department:				
Charges for services	952,634	1,097,524	1,088,001	9,523
Sewer fees	656,643	666,062	657,391	8,671
Tap fees	2,500	3,500	15,000	(11,500)
Interest on investments	7,506	4,849	15,000	(10,151)
Miscellaneous	10,733	54,126	6,000	48,126
Transfers in	<u>66,052</u>	<u>–</u>	<u>–</u>	<u>–</u>
Total cash receipts	<u>2,622,159</u>	<u>2,769,925</u>	<u>\$ 2,733,062</u>	<u>\$ 36,863</u>
Expenditures:				
Water Department:				
Personnel services	356,144	372,251	\$ 382,878	\$ 10,627
Utilities and telephone	64,731	73,099	67,800	(5,299)
Office expense	4,164	2,103	9,950	7,847
Equipment maintenance	26,474	29,700	25,000	(4,700)
Materials	126,930	102,301	100,000	(2,301)
Postage	11,634	13,264	12,400	(864)
Training/education/travel	3,750	1,764	3,360	1,596
Uniforms	4,886	3,216	5,000	1,784
Insurance	17,344	19,854	20,000	146
Sales tax	8,119	8,505	5,300	(3,205)
Water protection fees	10,898	11,232	13,220	1,988
Clean water fees	10,005	9,568	10,000	432
Contractual services	53,577	48,944	43,400	(5,544)
Miscellaneous	7,325	8,814	6,500	(2,314)

CITY OF HAYSVILLE, KANSAS

WATER – SEWER UTILITY FUND

SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL – REGULATORY BASIS
(continued from previous page)

	Year ended December 31,			
	2012			Variance
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	Favorable (Unfavorable)
Project expense	\$ 108,343	\$ –	\$ 225,000	\$ 225,000
Capital outlay	46,885	21,882	20,200	(1,682)
Transfers to other funds	96,163	100,097	117,083	16,986
Transfers to reserve funds	15,000	–	–	–
Debt service	2,500	2,500	–	(2,500)
Sewer Department:				
Personnel services	406,399	543,302	442,990	(100,312)
Utilities and telephone	156,555	157,593	173,000	15,407
Office expense	4,434	1,830	3,300	1,470
Equipment maintenance	55,036	69,893	75,000	5,107
Plant expense	7,000	1,637	16,000	14,363
Materials	65,427	75,043	83,000	7,957
Postage	6,710	7,688	9,500	1,812
Training/education/travel	3,079	1,888	5,650	3,762
Uniforms	4,996	2,898	4,000	1,102
Insurance	33,385	37,815	50,000	12,185
Contractual services	114,973	92,058	156,250	64,192
Miscellaneous	10,302	9,859	28,000	18,141
Project expense	18,316	71,500	52,987	(18,513)
Capital outlay	137,374	73,938	185,200	111,262
Transfers to other funds	547,146	538,533	632,624	94,091
Transfers to reserve funds	60,000	264,391	–	(264,391)
Debt service	2,500	2,500	–	(2,500)
Total expenditures	<u>2,608,504</u>	<u>2,781,460</u>	<u>\$ 2,984,592</u>	<u>\$ 203,132</u>
Cash receipts over (under)				
expenditures	13,655	(11,535)		
Cancellation of prior year				
encumbrances	3,789	7,574		
Unencumbered cash balance,				
beginning of year	<u>301,196</u>	<u>318,640</u>	<u>\$ 451,530</u>	<u>\$ (132,890)</u>
Unencumbered cash balance,				
end of year	<u>\$ 318,640</u>	<u>\$ 314,679</u>	<u>\$ 200,000</u>	<u>\$ 114,679</u>

CITY OF HAYSVILLE, KANSAS

MUNICIPAL POOL FUND

SCHEDULE OF REVENUES AND EXPENDITURES –
BUDGET AND ACTUAL – REGULATORY BASIS

	Year ended December 31,			
	2011 <u>Actual</u>	<u>2012</u>		Variance Favorable (Unfavorable)
		<u>Actual</u>	<u>Budget</u>	
Cash receipts:				
Admission charges	\$ 57,821	\$ 61,235	\$ 56,200	\$ 5,035
Swimming lesson charges	11,705	12,192	11,000	1,192
Concession sales	12,299	17,664	20,000	(2,336)
Use of money and property	8,469	9,789	9,100	689
Miscellaneous	826	253	750	(497)
Transfers in	<u>10,000</u>	<u>—</u>	<u>10,000</u>	<u>(10,000)</u>
Total cash receipts	<u>101,120</u>	<u>101,133</u>	<u>\$ 107,050</u>	<u>\$ (5,917)</u>
Expenditures:				
Personnel services	63,835	67,233	\$ 66,125	\$ (1,108)
Utilities and telephone	9,370	9,980	9,750	(230)
Office expense	2,610	2,587	2,975	388
Equipment maintenance	3,947	915	2,600	1,685
Building maintenance	4,519	4,157	5,000	843
Materials	8,271	6,876	7,500	624
Concessions	5,548	8,903	12,000	3,097
Miscellaneous	<u>1,370</u>	<u>1,451</u>	<u>1,100</u>	<u>(351)</u>
Total expenditures	<u>99,470</u>	<u>102,102</u>	<u>\$ 107,050</u>	<u>\$ 4,948</u>
Cash receipts over (under) expenditures	1,650	(969)		
Cancellation of prior year encumbrances	24			
Unencumbered cash balance, beginning of year	<u>2,486</u>	<u>4,160</u>	<u>\$ —</u>	<u>\$ 4,160</u>
Unencumbered cash balance, end of year	<u>\$ 4,160</u>	<u>\$ 3,191</u>		

CITY OF HAYSVILLE, KANSAS

STORMWATER FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
ACTUAL AND BUDGET – REGULATORY BASIS

	Year ended December 31,			Variance Favorable (Unfavorable)
	2011 <u>Actual</u>	<u>Actual</u>	<u>Budget</u>	
Cash receipts:				
Stormwater fees	\$ 141,165	\$ 143,808	\$ 140,000	\$ 3,808
Interest on investments	201	153	—	153
Miscellaneous	<u>690</u>	<u>685</u>	<u>—</u>	<u>685</u>
Total cash receipts	<u>142,056</u>	<u>144,646</u>	<u>\$ 140,000</u>	<u>\$ 4,646</u>
Expenditures:				
Personnel services	34,012	33,040	\$ 30,521	\$ (2,519)
Capital outlay	—	—	41,274	41,274
Miscellaneous	16,971	23,588	4,030	(19,558)
Transfers out	<u>82,327</u>	<u>73,366</u>	<u>79,260</u>	<u>5,894</u>
Total expenditures	<u>133,310</u>	<u>129,994</u>	<u>\$ 155,085</u>	<u>\$ 25,091</u>
Cash receipts over expenditures	8,746	14,652		
Cancellation of prior year encumbrances	920	4		
Unencumbered cash balance, beginning of year	<u>6,946</u>	<u>16,612</u>	<u>\$ 15,085</u>	<u>\$ 1,527</u>
Unencumbered cash balance, end of year	<u>\$ 16,612</u>	<u>\$ 31,268</u>		

CITY OF HAYSVILLE, KANSAS

WATER/WASTEWATER REVENUE BOND RESERVE FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS**

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Transfers in	\$ <u>396,927</u>	\$ <u>394,098</u>
Expenditures:		
Revenue bond principal	330,000	315,000
Revenue bond interest and commission	<u>67,315</u>	<u>78,025</u>
Total expenditures	<u>397,315</u>	<u>393,025</u>
Cash receipts over (under) expenditures	(388)	1,073
Unencumbered cash balance, beginning of year	<u>99,329</u>	<u>98,256</u>
Unencumbered cash balance, end of year	<u>\$ 98,941</u>	<u>\$ 99,329</u>

CITY OF HAYSVILLE, KANSAS

WATER/WASTEWATER REVENUE BOND EMERGENCY
AND DEPRECIATION RESERVE FUND

SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Transfers in	\$ —	\$ —
Expenditures:		
Capital outlay	<u> —</u>	<u> —</u>
Cash receipts over expenditures	—	—
Unencumbered cash balance, beginning of year	<u>400,000</u>	<u>400,000</u>
Unencumbered cash balance, end of year	<u>\$ 400,000</u>	<u>\$ 400,000</u>

CITY OF HAYSVILLE, KANSAS

WATER/WASTEWATER REVENUE BOND SURPLUS RESERVE FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS**

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Transfers in	\$ 264,391	\$ –
Expenditures:		
Transfers out	<u>–</u>	<u>66,052</u>
Cash receipts over (under) expenditures	264,391	(66,052)
Unencumbered cash balance, beginning of year	<u>–</u>	<u>66,052</u>
Unencumbered cash balance, end of year	<u>\$ 264,391</u>	<u>\$ –</u>

CITY OF HAYSVILLE, KANSAS

**WATER/WASTER GENERAL OBLIGATION BOND
DEBT SERVICE RESERVE FUND**

**SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS**

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Transfers in	<u>\$ 67,108</u>	<u>\$ 70,067</u>
Expenditures:		
General obligation bond principal	61,397	62,971
General obligation bond interest and commission	<u>6,309</u>	<u>7,569</u>
Total expenditures	<u>67,706</u>	<u>70,540</u>
Expenditures over cash receipts	(598)	(473)
Unencumbered cash balance, beginning of year	<u>11,284</u>	<u>11,757</u>
Unencumbered cash balance, end of year	<u>\$ 10,686</u>	<u>\$ 11,284</u>

CITY OF HAYSVILLE, KANSAS

RISK MANAGEMENT FUND

**SCHEDULE OF RECEIPTS AND EXPENDITURES –
REGULATORY BASIS**

	<u>Year ended December 31,</u>	
	<u>2012</u>	<u>2011</u>
Cash receipts:		
Collections on health insurance premiums	\$ 527,594	\$ 521,231
Interest	<u>944</u>	<u>721</u>
Total cash receipts	<u>528,538</u>	<u>521,952</u>
Expenditures:		
Claims paid	318,912	339,944
Fixed costs – insurance premiums	130,662	136,830
Administrative fees	<u>18,274</u>	<u>19,479</u>
Total expenditures	<u>467,848</u>	<u>496,253</u>
Cash receipts over expenditures	60,690	25,699
Unencumbered cash balance, beginning of year	<u>99,477</u>	<u>73,778</u>
Unencumbered cash balance, end of year	<u>\$ 160,167</u>	<u>\$ 99,477</u>